QUALITY REQUIREMENTS APPLICABLE TO SUPPLIERS

1. GENERAL

1.1. Purpose

1.1.1. This document defines the contractual obligation for Suppliers when it is specified on the Safran Power Units San Diego purchase orders. If, however, a purchase order specification differs from those within this document, the conditions documented in the purchase order shall take precedence.

1.1.2. This procedure is complementary to Safran Group Procedure GRP-0087 and defines San Diego’s specific requirements.

1.2. Scope

1.2.1. This document applies to all purchased, subcontracted or manufactured products. It does not apply to non-product suppliers.

1.3. Revision History

<table>
<thead>
<tr>
<th>REV</th>
<th>DATE</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>New</td>
<td>5/15/15</td>
<td>Initial Release</td>
</tr>
<tr>
<td>A</td>
<td>6/8/15</td>
<td>Added functional categories to align with engineering drawings, removed Type 1 and Type 2. Added retention time requirement (10 yrs). Added supplier responsibility statement to implement controls to ensure no counterfeit parts are used.</td>
</tr>
<tr>
<td>B</td>
<td>7/14/15</td>
<td>Added Section to include how the supplier is notified of NCM detected at Safran Power Units - San Diego or at the customer.</td>
</tr>
<tr>
<td>C</td>
<td>9/23/15</td>
<td>Section added to define Supplier deviation/waiver process.</td>
</tr>
<tr>
<td>D</td>
<td>10/26/15</td>
<td>Definition for types of non-conformities. Deviation requirements for minor and major NCM’s. Requirement for SCAR’s including timeframe for reply, form to utilize and actions if overdue. Flow down of requirement including special processes. Restructured procedure for process clarity.</td>
</tr>
<tr>
<td>E</td>
<td>2/26/16</td>
<td>Updated with Acronyms. Added External referenced Procedures. Updated 2.25.2, minor changes.</td>
</tr>
<tr>
<td>F</td>
<td>4/27/16</td>
<td>Added record retention requirements, updated ATP requirement flow down and defined deviation requirements for both source control suppliers and suppliers with design authority. Added Revision History section.</td>
</tr>
<tr>
<td>G</td>
<td>7/28/16</td>
<td>Defined “Part Nonconformity” and “Part Discrepancy” and clarified the Supplier Requirements appropriate for each condition. Removed “Legacy” from the title, this procedure is now applicable to all Suppliers.</td>
</tr>
<tr>
<td>H</td>
<td>11/14/2016</td>
<td>Update logo and export footer to reflect name change. Added requirements for Counterfeit Parts. Updated Title.</td>
</tr>
<tr>
<td>I</td>
<td>4/19/2017</td>
<td>Section added for Key Characteristics monitoring to require our suppliers to apply key characteristic control. Added definition for Key Characteristics.</td>
</tr>
<tr>
<td>J</td>
<td>10/18/2017</td>
<td>Added another situation that defines a Part as Nonconforming to align with OP-830-01. Added requirement for test data for electronic hardware containing software.</td>
</tr>
<tr>
<td>K</td>
<td>1/25/2018</td>
<td>Add requirement for effectiveness verification for corrective actions resulting from supplier deviations/waivers. Added requirement for engineering review on recurring non-conformances. Added requirements for ethical behavior and product safety awareness and the use of customer designated suppliers.</td>
</tr>
</tbody>
</table>
1.4. Definitions

Basic audit

The basic audit is conducted to examine compliance of processes and knowledge of the basics of job function. It may cover all company processes (purchase, delivery, manufacture, etc.) and/or deal with a specific topic (personnel skills, resources, special processes, configuration management, Safety Management System, the processing of non-conformities, etc.) in direct or indirect liaison with the product or service Quality department.

Functional Categories (for information)

Category 1

Part (finished and indivisible component or assembly) whose failure in service can have a dangerous effect on the aircraft it outfits on, and / or endanger the surrounding environment: bursting, uncontrolled fire, separation of the engine....

Category 2

Part (finished and indivisible component or assembly) whose failure is not unlikely, could result in a voluntary or involuntary stop of a system operation, but has no dangerous effect on the aircraft it outfits and / or does not endanger the immediate environment....

Category 3

Any part (finished and indivisible component or assembly) not classified CF1 or CF2 whose failure could not cause the above risks

Flight Safety Parts

Any part, assembly, or installation containing a critical characteristic whose failure, malfunction, or absence could cause:

- A catastrophic failure resulting in loss or serious damage to the aircraft,
- An un-commanded engine shutdown resulting in an unsafe condition.

Key Characteristics

An attribute or feature whose variation has a significant effect on product fit, form, function, performance, service life or producibility, that requires specific actions for the purpose of controlling variation.
Manufactured Product

Article which is designed by Power Units - San Diego and whose manufacture is accomplished according to procedures and with materials supplied by Power Units - San Diego.

Part Discrepancy

A part classified as exhibiting a discrepancy is limited to irregularities found insignificant in nature which do not reach a classification of non-conforming. Examples of discrepancies include, but are not limited to, visual or any other discrepancies that do not affect fit, form, function, flight safety, airworthiness, reliability, interchangeability, performance, previous testing or deviation from Power Units - San Diego applicable design specification.

Part Non-Conformity

A part is defined as Non-Conforming when there is at least one affirmative answer to the following 8 questions:

- Can the non-conformity affect flight safety and/or airworthiness during the service life of the equipment?
- Can the non-conformity affect operation, performance, a critical or essential function, or correct application?
- Can the non-conformity affect dimensional interchangeability (overall dimensions, attachment, connections, drive, etc.)?
- Can the non-conformity affect service life, structural parts, dependability (operational reliability)?
- Can the non-conformity affect the correct application of the procedures defined in maintenance, repair and installation manuals?
- Can the non-conformity affect the electrical, adjustment and/or control characteristics or the adjustment and/or control software?
- Can the non-conformity affect the validity or acceptance of the report results for previously accomplished part performance testing and/or analysis?
- Does the change affect compliance to any released certification data?

Purchased Product

A product not designed by Power Units - San Diego but defined by a Power Units - San Diego specification. It may also be a standard product or a product purchased from a catalog.

Segregation/Isolation Measures
The action of identifying and isolating one or more products that have a potential or proven non-conformity.

**Special Process**
A process used in an operation or in a series of operations of the manufacturing process which is likely to bring about changes in the physical, chemical or metallurgic properties of an item which are not directly detectable in the normal sequence of its manufacturing cycle. Non-destructive inspections (NDT/NDI) are included in this category.

**Sub-Assembly**
Functional sub-assembly of a product that has individual performance criteria that can be checked by acceptance test conditions.

**Subcontracted Product**
An article which is designed by Power Units - San Diego but whose supplier works independently for the manufacture and procurement of the material.

### 1.5. Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAR</td>
<td>Corrective Action report</td>
</tr>
<tr>
<td>CF1</td>
<td>Functional category 1</td>
</tr>
<tr>
<td>CF2</td>
<td>Functional category 2</td>
</tr>
<tr>
<td>CF3</td>
<td>Functional category 3</td>
</tr>
<tr>
<td>CMM</td>
<td>Coordinate-Measuring Machine</td>
</tr>
<tr>
<td>DQR</td>
<td>Designated Quality Representative</td>
</tr>
<tr>
<td>FAA</td>
<td>Federal Aviation Administration</td>
</tr>
<tr>
<td>FAI</td>
<td>First Article Inspection</td>
</tr>
<tr>
<td>KPC</td>
<td>Key Product Characteristic</td>
</tr>
<tr>
<td>MRB</td>
<td>Material Review Board</td>
</tr>
<tr>
<td>NADCAP</td>
<td>National Aerospace and Defense Contractors Accreditation Program</td>
</tr>
<tr>
<td>NCR</td>
<td>Non-Conformance Report</td>
</tr>
<tr>
<td>NDT/NDI</td>
<td>Non-Destructive Testing/Inspection</td>
</tr>
<tr>
<td>P/N</td>
<td>Part Number</td>
</tr>
<tr>
<td>PAR</td>
<td>Preventive Action Report</td>
</tr>
<tr>
<td>QMS</td>
<td>Quality Management System</td>
</tr>
<tr>
<td>R/R</td>
<td>Request / Reply</td>
</tr>
<tr>
<td>SCAR</td>
<td>Supplier Corrective Action Report</td>
</tr>
</tbody>
</table>
1.6. References / Documents

Power Units - San Diego / Safran Documents

GRP-0087       SAFe- Safran Requirements to Supplier
OP-424-01      Control of Records
OP-741-01      Supplier Assessment, Selection and Qualification
OP-743-02      Designated Quality Representative (DQR) Process
FM-741-09      Notice of Delinquency for Supplier Corrective Action Request
FM-743-02      Request / Reply
FM-830-03      Deviation / Waiver Request
FM-852-01      CAR Form
FM-853-01      PAR Form

Industry Specifications

AS/EN 9100     Quality Management Systems - Requirements for Aviation, Space and Defense Organizations
AS/EN 9102     Aerospace First Article Inspection Requirement
ISO 14253-1    Geometrical product specifications (GPS) - Inspection by measurement of workpieces and measuring equipment
ISO 17025      General requirements for the competence of testing and calibration laboratories
AS5553         Counterfeit Electrical, Electronic, and Electromechanical (EEE) Parts; Avoidance, Detection, Mitigation, and Disposition
AS6174         Counterfeit Material; Assuring Acquisition of Authentic and Conforming Material
1.7. **Document Summary**

Section 2.1 Supplier Audits
Section 2.2 Control of Quality Documents
Section 2.3 Supplier Approval
Section 2.4 Performance and Quality Objectives
Section 2.5 Verbal Instructions
Section 2.6 Special Processes
Section 2.7 Skill Management
Section 2.8 Vision Exam
Section 2.9 Monitoring of the Supplier Subcontractors
Section 2.10 Power Units - San Diego Supplied Materials/ Supplies
Section 2.11 Maintenance Service Performed by the Supplier
Section 2.12 Limited Life Materials
Section 2.13 Traceability and Archiving
Section 2.14 Calibration of Measuring and Test Equipment
Section 2.15 Product Inspection
Section 2.16 Designated Quality Representative
Section 2.17 First Article Inspection (FAI)
Section 2.18 Non-Conformity Detected at the Supplier
Section 2.19 Non-Conformity Detected by Power Units - San Diego or its Customers
Section 2.20 Inspection Following Segregation / Isolation
Section 2.21 Corrective and Preventive Action
Section 2.22 Delivery
Section 2.23 Packaging
Section 2.24 Supplier Portal
Section 2.25 Design Change Requirements for Suppliers Responsible for Design
2. **PROCEDURE**

2.1. **Supplier Audits**

   2.1.1. The Supplier must perform:
   
   - An internal audit every 2 years covering its complete Quality Management System.
   
   - Special process audit per NADCAP requirements.
   
   - Power Units - San Diego reserves the right to review the results of these audits.

2.1.2. Verification activities performed by Power Units - San Diego

   2.1.2.1. Verification activities performed by Power Units - San Diego across all supply chain levels shall not be used by the Supplier as proof of effective quality control and do not exempt the supplier from its responsibility to provide a satisfactory product that meets all requirements.

2.2. **Control of Quality Documents**

   2.2.1. The Supplier is responsible for maintaining current documents and any additional referenced Power Units - San Diego quality documents that are associated with the contracted work.

   2.2.2. The Supplier is responsible for contacting Power Units - San Diego for confirmation of revision status of this procedure and any other document referenced herein or applicable by purchase order requirement, prior to the commencement of work. Documents and their updates are dispatched by Power Units - San Diego’s Purchasing Department.

   2.2.3. The supplier shall control all documents received from Power Units - San Diego, from the manufacturer or from the Regulatory Authority (Airworthiness Directives), writing and management of work instructions necessary for the correct execution of the work.

   2.2.4. Documentation shall be controlled in accordance with Standards AS/EN 9100. For each completed purchase order, the Supplier shall return the required documents with the shipment of manufactured articles.
2.2.5. Any modifications or corrections made on supplier's documents (manufacturing or inspection files, manufacturing follow-up sheets, instructions, procedures, etc.) must be documented in ink and a single line drawn through the original text, leaving it legible and traceable. The type of modification, date, name and signature of people who carried out and approved the modification must be documented. The modification must be performed by authorized personnel and authorized personnel must be clearly identified.

2.2.6. All quality records (dimensional or functional records) in paper or electronic formats, shall be retained on file/archived in accordance with Power Units - San Diego's quality records procedure OP-424-01.

2.2.7. When the Supplier is reviewing a manufacturing and/or an inspection purchase order or any other Power Units - San Diego production/service request, any remarks and/or questions must be submitted in writing using form FM-741-02 and sent to Power Units - San Diego.

2.3. Supplier Approval

2.3.1. Power Units - San Diego assesses and qualifies its Suppliers in accordance with the procedure OP-741-01, Supplier Assessment.

2.4. Performance and Quality Objective

2.4.1. Power Units - San Diego will periodically provide the Supplier with feedback on its performance objectives (Quality and On-Time Delivery) and the expectations to be complied with.

2.4.2. Power Units - San Diego reserves the right to re-evaluate supplier’s approval status and take appropriate action at any time based on, but not limited to, the following criteria:

- A prolonged interruption of Supplier activity lasting more than 2 years
- A change to the Supplier’s organization or structure
- A major discrepancy following an audit at a supplier, not rectified within the allocated timeframe
- Poor performance or deterioration of the quality of supplier services
2.4.3. These actions may include the withdrawal of qualification or financial penalties (administrative costs, rework costs, retrieval costs, rejection costs, transportation costs or costs of impact on the end customer).

2.4.4. Suppliers’ performance is monitored through incoming inspection history, on-time delivery and non-conforming material records.

2.4.5. In some instances the articles ordered are placed under the monitoring of an official service such as:

- The Federal Aviation Administration (FAA), Civil Aviation Safety Organization (OSAC), the General Civil Aviation Authority (DGAC) or the European Aviation Safety Agency (EASA) for civil contracts.
- A foreign airworthiness authority for export contracts.

2.4.6. Orders subjected to any of these agencies quality monitoring must include the following clause:

- These Regulatory Agencies must have free access to premises and documents associated with the service provided by the Supplier and any subcontractors to be able to monitor quality.

2.5. Verbal Instructions

2.5.1. Verbal instructions or agreements shall not be considered in any case as an approval or authorization.

2.6. Special Processes

2.6.1. Supplier of special processes and those of their sub-tiers must be NADCAP Approved.

**NOTE:** This does not apply to equipment and purchased products. However, suppliers of these types of products must have an organization that allows these processes to be managed in compliance with the requirements of the current version of AS/EN 9100.
2.7. **Skill Management**

2.7.1. The supplier shall:

- Determine the skills required for the personnel performing work with an impact on product quality
- Establish a continuing training program to ensure that the skills of the personnel responsible for specific tasks are maintained current.
- Provide training or undertake other actions to satisfy these requirements
- Assess the effectiveness of undertaken actions
- Ensure that members of its personnel are aware of the relevance and importance of their activities and of their contribution to the attainment of quality objectives
- Keep suitable records regarding initial, recurrent and professional training knowledge and experience.
- Suppliers shall ensure that all their employees are aware of their contribution to product safety and the importance of ethical behavior.

2.8. **Vision Exam**

2.8.1. Individuals performing visual and dimensional inspection will require an annual vision exam by a medically qualified individual (protocol according to Snellen 14/18 or equivalent).

2.9. **Monitoring of the Supplier Subcontractors**

2.9.1. Purchase orders issued by suppliers to their sub-tiers must accurately describe the quality requirements and include at a minimum the requirements specified by Power Units - San Diego, including specifications and key characteristics.

2.9.2. Power Units - San Diego may prohibit the Supplier from using the services of a subcontractor that does not have an acceptable quality system.

2.9.3. When required by SPU San Diego, suppliers shall use SAFRAN designated or approved sub-tier providers, including process sources (e.g., special processes).
2.10. Power Units - San Diego Supplied Materials

2.10.1. Materials provided by Power Units - San Diego may only be used to satisfy the Power Units - San Diego purchase orders, unless otherwise specially authorized.

2.11. Maintenance Service Performed by the Supplier

2.11.1. The Supplier will ensure that the work it carries out complies with the Power Units - San Diego contract requirements. In the event of a deviation, the Supplier must inform Power Units - San Diego in writing in order to resolve the discrepancy prior to the continuation of work.

2.11.2. A report must be attached for equipment maintenance services. The report shall describe:

- The work performed,
- The maintenance documents used (reference and issue),
- The main parts replaced,
- The applied Maintenance information (other than CMM's),
- The applied Service Bulletins,
- Airworthiness Directives applied.

2.11.3. Power Units - San Diego’s suppliers are responsible for the design, qualification and manufacturing of tools and equipment per Power Units - San Diego technical specifications.

2.11.4. Additional requirements may be imposed as a Power Units - San Diego document relative to equipment, e.g. technical specifications and standards.

2.11.5. Ensure that the personnel undertaking the return to service of the equipment is qualified and certified in accordance with the Regulatory Authority’s requirements.

2.11.6. Ensure that training is provided and incorporates should there be changes in regulatory requirements, in procedures of the organization and changes maintenance standards.

2.12. Limited Life Materials

2.12.1. Limited life materials shall be identified and controlled in accordance with manufacturers specifications.
2.13. Traceability and Archiving

2.13.1. Counterfeit Control

2.13.1.1. The supplier must implement a counterfeit detection and elimination process to meet the intent of the SAE standards AS5553 for electrical, electronic and electronic-mechanical parts and AS6174 for non-electrical standard parts.

2.13.1.2. All electrical, electronic, electro-mechanical, and non-electrical standard parts delivered to Safran or used on products delivered to Safran, shall have certificates from the original component manufacturer (OCM) / original equipment manufacturer (OEM) or authorized aftermarket manufacturer (AAM) or OCM/OEM authorized distributor chain. If traceability is not obtainable, written notice shall be provided to Safran's Supplier Quality Engineer or Buyer prior to delivery.

2.13.1.3. The certificate shall clearly identify the name and location of all of the supply chain intermediaries from the original manufacturer to the final source of the product delivered to Safran.

2.13.1.4. Suppliers who deliver source controlled assemblies shall flow this requirement to their sub-tier suppliers.

2.13.1.5. Supplier must inform Safran immediately if it becomes aware or suspects that counterfeit parts or work have been furnished.

2.13.1.6. Safran holds its suppliers responsible for all costs related to the segregation, removal and replacement of counterfeit parts and work including its customer’s costs.

2.13.1.7. Upon confirmation of counterfeit parts, supplier shall report the incident to the Government Industry Data Exchange Program (GIDEP) and applicable US Government investigative authorities.

2.13.2. For maintenance services, the supplier shall ensure the traceability between the contract and all the elements of the work file.

2.13.3. Subcontracted or manufactured products must be marked as per drawing flow down.
2.13.4. Parts listed on the same manufacturing batch shall come from the same material batch.

2.13.5. Traceability of purchased parts must be accomplished at a minimum with the P/N and manufacturing batch number.

2.13.6. The retention (archiving) times for all documents associated with the products shall be in accordance with OP-424-01 (Control of Records Procedure.).

2.13.7. Records shall remain legible, readily identifiable and retrievable.

2.13.8. Archiving of X-Ray radiographs is the responsibility of the supplier. Radiographs of type parts must be sent to Power Units - San Diego. The supplier shall insure the identification of radiographs to the product.

2.13.9. Functional categories are indicated on the technical data associated with the article (attached to Power Units - San Diego purchase orders).


2.15. Product Inspection

2.15.1. The inspection of the product shall be performed according to ISO 14253-1 standard.

2.15.2. Functional Tests and/or Acceptance Test Procedure (ATP):

2.15.2.1. Functional tests and/or ATP’s must be performed on items or equipment when required per the drawing or any other documentation flow down.

2.15.2.2. The ATP check charts and/or data sheets shall be delivered to Power Units - San Diego with the shipment of the items or equipment.

2.15.2.3. The supplier shall ensure the integrity of test operations carried out, and test date, including the identity of the person who carried out the operations, has been completed and documented.

2.15.2.4. Key Product Characteristics (KPC’s) shall be managed per QS004 “Variation Management of Key Characteristics”. Maintenance and retention of any
KPC data is the responsibility of the supplier. Copies of inspection data must be available to Safran Power Units or its customer upon request.

2.15.2.5. New supplier evaluations will include verification that a process exists for the control of KPC’s and compliance with QS004. Random spot audits may also be conducted for current suppliers to verify compliance.

2.15.2.6. All electronic hardware that contains software shall be tested by the supplier and the test results (e.g.: Acceptance Test Results) shall be submitted for review and approval prior to shipment.

2.16. Designated Quality Representative

2.16.1. Power Units - San Diego reserves the right to apply the Designated Quality Representative (DQR) process at the Supplier’s facility in accordance with procedure OP-743-02, DQR Process. The aim of this strategy is to retain an existing DQR approved by a United Technology Company (UTC) with additional training in Power Units - San Diego quality requirements. The representatives will receive a nominative approval and will be individually authorized to release Power Units - San Diego products. Suppliers with approved DQR(s) will be given preference during discussions regarding future bids.

2.17. First Article Inspection (FAI)

2.17.1. A partial or complete FAI, as appropriate, shall be completed in accordance to AS/EN 9102 or at Power Units - San Diego’s request.

2.17.2. The following are excluded from the FAI process:

- Standardized and catalog products (except specific requirements),
- Tooling and prototype parts.

2.17.3. Upon completion of the FAI process, the supplier shall submit the FAI file to Power Units - San Diego for review and approval prior to shipment of the product. Suppliers will be notified of Power Units - San Diego’s decision regarding the completeness and correctness of the FAI file.
2.17.4. Upon receipt of articles and after examination, Power Units - San Diego may reject the FAI if a discrepancy is found. Suppliers will be notified of such decision.

2.17.5. After the FAI is approved, the supplier shall notify Power Units - San Diego’s Quality Department, using FM-743-02 or the supplier waiver, of any changes likely to affect the original FAI in compliance with Standard AS/EN 9102. The Power Units - San Diego Quality Department shall decide whether or not it is necessary to completely or partially re-issue the FAI.

2.18. Non-Conformity Detected at the Supplier

2.18.1. All material scrapped at the subcontractor’s facilities must be clearly marked and segregated and the supplier is only authorized to destroy the product after receiving written authorization from Power Units - San Diego.

2.18.2. Any incident or anomaly identified on the equipment during repair or maintenance work shall immediately be reported to Power Units - San Diego.

2.18.3. Defects identified outside of contractual maintenance activities must be dispositioned in accordance with defined arrangements.

2.18.4. The supplier shall not deliver product that incorporates any known non-conformity from the engineering drawing or specification requirements unless a deviation has been submitted to and approved by Power Units - San Diego Material Review Board (MRB). When a non-conformance is detected, the supplier must ensure that all non-conforming material is contained and that none has escaped to the end customer.

2.18.5. Deviation requests shall only be submitted for Non-Conforming material that cannot be reworked to engineering/specification requirements.

2.18.5.1. Suppliers with design authority (source control suppliers) shall submit deviation requests for non-conformities to Power Units - San Diego MRB for approval prior to shipment.

2.18.5.2. Suppliers with design authority are not required to submit deviation requests for material discrepancies to Power Units - San Diego.
2.18.5.3. Suppliers with design authority are required to internally disposition any identified discrepancy, maintain all such records in compliance with the organizations record retention requirements and make such records available to Power Units - San Diego upon request with respect to Proprietary information privileges.

2.18.5.4. Suppliers with no design authority (build-to-print suppliers) shall submit deviation requests for both non-conformities and discrepancies to Power Units - San Diego MRB for approval using the process as described herein for non-conformities.

2.18.5.5. Suppliers shall use Power Units - San Diego Request/Reply form FM-743-02, or an internal form if approved by Power Units - San Diego, to report non-conforming material to Power Units - San Diego prior to shipment.

Power Units - San Diego will reply with a disposition on the non-conforming material.

2.18.5.6. Supplier can use Power Units - San Diego’s deviation / waiver request form FM-830-03, or can use their own forms if approved by Power Units - San Diego, to submit deviation / waiver requests to Power Units - San Diego for approval.

2.18.5.7. The deviation / waiver request shall include a detailed description of the non-conformity, acceptable root cause(s), effective corrective action(s) with completion date, and objective evidence to show the implementation.

Deviation/waiver requests will be reviewed by SPU Quality. They will only be processed through SPU’s MRB if Quality is satisfied that the actions taken will eliminate the chance for recurrence.

2.18.5.8. In the case of a recurrence of the same nonconformity, the part definition must be evaluated to determine if the nonconformity can be eliminated through an engineering change or manufacturability.
2.18.5.9. Any Repair activity must be discussed with and approved by Power Units - San Diego MRB before any work is performed.

2.18.6. The outline of the deviation / waiver request must be clear and concise and include a default sketch and/or digital photos if necessary, in order to facilitate the handling of the problem. The supplier may be requested to submit a proposed disposition for review and approval by Power Units - San Diego MRB.

2.18.7. A copy of the Power Units - San Diego approved Deviation/Waiver Request (form FM-830-03) or minor non-conforming material reports (for source control suppliers) must be included with the shipment of the affected material.

2.18.8. In case of a non-conformity discovered during manufacturing, the Supplier shall inform Power Units - San Diego of the nature of the non-conformity.

2.18.9. The Supplier shall notify the Power Units - San Diego Supplier Quality Department within twenty four (24) hours if it suspects an anomaly on products already delivered to Power Units - San Diego.

2.19. Non-Conformity Detected by Power Units - San Diego or its Customers

2.19.1. In case of non-conformities detected during receiving inspection, suspect product is moved to “blocked product” on SAP. The parts are physically moved to the “suspect/non-conformance” while awaiting disposition. The Quality technician will generate a Quality Report (Notification) on SAP, a copy of which is sent to the supplier within 48 hours to start the root cause analysis and corrective action process.

2.19.2. In the case of non-conformities detected on a product or process following acceptance at Power Units - San Diego, products in stock and/or being produced are to be isolated by Power Units - San Diego within a maximum of forty eight (48) hours.

2.19.3. The other products in stock and/or being produced that may present the same non-conformities are also isolated by the party which holds them (supplier, Power Units - San Diego, subcontractors, etc.) in compliance with the following requirements:
- As soon as a non-conformity is identified, Power Units - San Diego issues the necessary information on the type of non-conformity, traceability elements (manufacturing batch, serial numbers, etc.), quantity of affected products, etc. to the supplier and other relevant parties via a NCR, so they can segregate the products. As soon as a non-conformity is identified, the supplier issues to Power Units - San Diego and other relevant parties the information regarding the segregation and isolation of the product, e.g., type of non-conformity, traceability elements, manufacturing batch, serial numbers for batches being produced, delivered, in stock or already delivered, associated with batches, quantity of affected products, root cause of non-detection, etc.

- The Supplier agrees to isolate the products it holds (being produced, pending delivery, in stock, etc.) that may contain the same non-conformity, within a maximum time limit of forty eight (48) hours following Power Units - San Diego’s request.

2.20. Inspection Following Segregation / Isolation

2.20.1. The Supplier inspects the products it has isolated at its own cost.

2.20.2. When permitted by the type of non-conformity, the supplier agrees to inspect the products within forty eight (48) hours from receipt of the information required to perform the inspection.

2.20.3. Other products isolated by Power Units - San Diego and other parties concerned are inspected at supplier’s expense. The supplier agrees to inspect the products or to organize their inspection by a representative at a Power Units - San Diego site, if necessary.

2.20.4. When the type of non-conformity allows it, the supplier agrees to inspect the products within two (2) days from receipt of the information required to perform the inspection and at the request of Power Units - San Diego to perform the inspection on site.

2.20.5. Or, by default, Power Units - San Diego returns the isolated products to the supplier for inspection (shipping costs to be covered by the supplier).
2.20.6. Or, by exception, a Power Units - San Diego representative inspects the products at Power Units - San Diego sites.

2.20.7. In this case, the cost of the inspection will be charged to the supplier and must be subject to an estimate previously approved by both parties.

2.21. Corrective and Preventive Action

2.21.1. The Supplier's inspection procedures and processes must determine:
   - Root cause of the non-conformity
   - Cause of the escape by the Supplier (in case of an escape detected by Power Units - San Diego after receiving)
   - Corrective action to avoid repetition of the non-conformity
   - Preventive action to avoid appearance of similar non-conformities

2.21.2. This information shall systematically be communicated to Power Units - San Diego's Suppliers Quality Department on Corrective Action Form FM-852-01 or Preventative Action Form FM-853-01.

2.21.3. The supplier must provide a complete Root Cause Corrective Action plan including the planned completion date within 14 days of issuance to Power Units - San Diego Supplier Quality Department. If the action plan is submitted after the due date, it will be recorded as overdue. Extensions can only be approved by Power Units - San Diego for special cases (e.g. extended testing).

2.21.4. If the Root Cause Corrective Action plan is not submitted by the 21st day, additional steps will be taken to obtain the action plan from the supplier.

2.21.5. If there is no communication or action plan submitted by the 30th day, a Notice of Delinquency for Supplier Corrective Action Response (FM-741-09) will be issued and may jeopardize the supplier approval rating.

2.21.6. If either the corrective action plan or plan due date are not acceptable, the Supplier Quality Department will reject the SCAR and return to supplier for improvement.
2.21.7. To ensure effectiveness of the corrective action, the supplier shall perform a 100% inspection of the deviated characteristics for the next three (3) consecutive manufactured lots following the event.

2.22. Delivery

2.22.1. The Supplier shall ensure that all products are correctly identified in accordance with the Power Units - San Diego purchase order requirements and technical data associated with the article.

2.22.2. An individual test sheet shall be attached to all equipment when required. The declaration of conformity shall identify all products delivered, state all deviations and Request/Replies that were approved by Power Units - San Diego. A copy of any deviation documents approved by Power Units - San Diego shall be included.

2.22.3. Each delivery must be, as required, accompanied by:

- The technical documents (drawings, drawing sets, instruction sheets, test sheets, etc.) attached to the purchase order and that were used for the product manufacturing,
- Any requests/replies, deviations and non-conformity reports that may have been issued.

2.23. Packing

2.23.1. Packing must conform to the instructions given in the purchase order, in the absence of special instructions; it must preserve the product and its accompanying documents to avoid any destruction due to impacts, corrosion, electrostatic discharges or other contamination.

2.23.2. Printed wiring shall be delivered individually stored in anti-corrosion bags, which shall be marked with the date of manufacture.

2.23.3. Electronic components and/or equipment shall be delivered by batch, in antistatic bags, each batch having the same manufacturing date marked on the bag.
2.23.4. Electronic equipment shall be delivered individually packaged in antistatic bags with connectors be protected. Packaging shall also comply with any additional requirements defined in the drawing.

2.23.5. All cast and forged parts as well as electrical / electronic equipment, electronic components and printed wiring must be delivered per the purchase order requirements.

2.23.6. Information included in the delivery notes and the inspection documents will provide the following information:
- Articles returned subsequent to NCR (Non-conformance Report) number
- Standard articles
- Partial delivery
- Order completed
- Specific reference regarding the nature of the product: specimen, sample part, inspection report,
- X-ray film, heat treatment chart.

2.24. Supplier Portal

2.24.1. All production suppliers shall use Power Units - San Diego’s supplier portal to:
- View and acknowledge PO’s and any documents flowed down by the PO.
- Submit required delivery documents (including FAI forms) to Power Units - San Diego for approval prior to shipment.
- Request delivery authorization and print shipping labels to be applied to packages prior to shipment.

2.24.2. Power Units - San Diego will provide approved suppliers access to the Power Units - San Diego supplier portal and will provide work instructions/training on how to use the portal. These instructions are available on the Power Units - San Diego supplier portal.

2.24.3. Exceptions must be approved by both Power Units - San Diego’s purchasing manager and the quality manager.
2.25. Design Change Requirements for Suppliers Responsible for Design

2.25.1. "Major" changes are subject to prior approval from Power Units - San Diego.

2.25.1.1. A change is said to be "Major" when it affects the following elements:

- The characteristics of the materials, articles or components that affect safety, operation, reliability and endurance
- Functional or dimensional interchangeability
- Performances, utilization conditions and resistance to the environment
- Reliability
- Implementation and maintenance by the user
- Utilization safety and service life

2.25.1.2. Major changes that result in a change of the product's part number are referred to as "Modifications".

2.25.2. "Minor" changes shall be submitted to Power Units - San Diego before the next shipment and do not require prior approval.

2.25.2.1. A change is said to be "minor" when it does not affect the above-mentioned elements.

2.25.3. Corrections made to drawings not affecting fit, form or function are not considered to be design changes. Their traceability is ensured by the drawing or by a computer medium.

2.25.4. In both cases of change mentioned above, traceability of the changes must be ensured. Any document or drawing affected by these changes must be sent to Power Units - San Diego.

3. RECORDS

3.1. The retention requirements for records referenced in this procedure are defined in Quality Records procedure OP-424-01.

4. RESPONSIBILITY

4.1. The Quality Manager is responsible for the implementation of this procedure.